

**DRAFT APPLICATION**

**Montgomery County, Maryland**

**State Enterprise Zone Application**

**for the**

**Burtonsville/Briggs Chaney Enterprise Zone**

*April 15, 2017*

**Submitted by the  
Offices of the Montgomery County Executive**

**I. Cover Sheet**

Local Jurisdiction Applying: Montgomery County, Maryland

Name of the Proposed Zone: Burtonsville/Briggs Chaney Enterprise Zone

Eligibility Criteria: Family Income

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Authorized Signature: \_\_\_\_\_  
Isiah Leggett  
County Executive

Date: \_\_\_\_\_

**2. Expression of Consent**

A Resolution from the Montgomery County Council consenting to the Burtonsville/Briggs Chaney Enterprise Zone is included on the following pages.

**3. Written Confirmation of State Priority Funding Area**

A letter from the Maryland Department of Planning follows.

#### 4. Documentation of Eligibility Requirements for an Enterprise Zone

The Burtonsville/Briggs Chaney area meets the Enterprise Zone eligibility based on the median family income criteria. According to the Enterprise Zone income criteria, at least 70 percent of families living in, or within a reasonable distance of, the proposed zone must earn less than 80 percent of the median family income within the political subdivision in which the area is located. Based on Montgomery County's median family income (\$117,798) from the 2015 Community Survey – Five Year Estimate data sets, the threshold is \$92,382.

**Table A: Montgomery County, Maryland<sup>1</sup>**

	Families Estimate	Number of Families in Income Band <sup>2</sup>
<b>Total</b>	<b>253,531</b>	
Less than \$10,000	1.90%	4,817
\$10,000 to \$14,999	1.20%	3,042
\$15,000 to \$24,999	3.20%	8,113
\$25,000 to \$34,999	4.30%	10,902
\$35,000 to \$49,999	7.30%	18,508
\$50,000 to \$74,999	12.50%	31,691
\$75,000 to \$99,999	11.40%	28,903
\$100,000 to \$149,999	20.60%	52,227
\$150,000 to \$199,999	14.50%	36,762
\$200,000 or more	23.20%	58,819
	100.00%	<b>253,531</b>
<b>County Median income (dollars)</b>	<b>117,798</b>	

**Table B: Census Tract 7014.22, Montgomery County, Maryland<sup>1</sup>**

	Families Estimate	Number of Families in Income Band <sup>2</sup>
<b>Total</b>	<b>753</b>	
Less than \$10,000	5.60%	42
\$10,000 to \$14,999	2.10%	16
\$15,000 to \$24,999	7.40%	56
\$25,000 to \$34,999	6.90%	52
\$35,000 to \$49,999	39.70%	299
\$50,000 to \$74,999	19.10%	144
\$75,000 to \$99,999	10.60%	80
\$100,000 to \$149,999	8.50%	64
\$150,000 to \$199,999	0.00%	0
\$200,000 or more	0.00%	0
	100%	<b>753</b>
<b>Census Tract Median income (dollars)</b>	<b>44,821</b>	

**Step 1:**

**Calculate 80 % of Median County Income: \$ 117,978 (Table B) X .80 = \$ 92,382**

**Step 2:**

**Determine the number of families in Census Tract 7014.22 earning less than \$92,382 (80% of the Median Family Income for Montgomery County)**

**Total Families in Census Tract 7014.22:**

**753**

**Number of Families in Income Band**

Less than \$10,000

5.60%

42

\$10,000 to \$14,999

2.10%

16

\$15,000 to \$24,999

7.40%

56

\$25,000 to \$34,999

6.90%

52

\$35,000 to \$49,999

39.70%

299

\$50,000 to \$74,999

19.10%

144

\$75,000 to \$99,999

10.60%

56

\$100,000 to \$149,999

Over 80% Of Median

665

**\*\* Total number of families in the Census Tract below 80% of Median County income**

\$150,000 to \$199,999

Over 80% Of Median

\$200,000 or more

Over 80% Of Median

**Step 3:**

**Determine the percentage of number of Families in Census Tract 7012.22 with incomes lower than 80% of County Family Median Income**

Families in Census tract below 80% of County Median Income) ÷ Total Families in Census Tract, or:

$$665 \div 753 = 88\%$$

**Eighty-Eight Percent (88%) of Families in Census Tract of 7014.22 have incomes less than 80% of the Median County Family Income. This percentage exceeds 70% - the amount required to satisfy the Median Income Criteria for Enterprise Zone Eligibility**

**Footnotes:**

1. Source: 2015 American Community Survey -Five Year Estimate

2. Percentages for Income bands and the respective number of families calculated are rounded to the nearest whole number.

\*\*Calculation for number of families in the \$75,000 to \$99,999 band with income less than county median income of \$92,382 is as follows:

Total number of families in \$75,000 - \$99,999 band is  $753 \times 10.60\%$ , or 80

So:  $[\$92,382 - \$75,000 / \$99,999 - \$75,000] \times 80$  OR  $[\$17,382 / \$24,999 \times 80 = 56$  families at or below \$92,382 (80% of County Median family income)

## 5. Maps

The following maps and additional data and narrative are included in this application.

### A. Enterprise Zone Map

#### *Written Description of the Boundaries:*

Beginning at the south eastern point of the property boundary of 15601 Old Columbia Pike, proceeding north west along the northern side of Sandy Spring Road (MD-198) for 2,787 feet to a point perpendicular to the south side of Dino Drive; crossing Sandy Spring Road southward and proceeding along the southern side of Dino Drive for 487 feet, to the northeast point of the property line of 15204 Dino Drive; then turning in a southwesterly direction for 730 feet, following the western boundary of the property line; then turning in a northwesterly direction for 1,161 feet, following the southern boundary of the property line to its intersection with the right of way boundary for the exit ramp for US 29N and MD 198; then proceeding southwest for 26 feet along the right of way boundary to northern boundary of the property line of 4000 Blackburn Lane; then turning 66 feet southeast to the eastern boundary of the property; then turning south east 898 feet along the eastern boundary of the property; then turning eastward for 801 feet along the southern boundary of the property to the intersection of the right of way for US 29 N; then heading southwest along the right of way boundary of US 29N for 7,904 feet to the northwest boundary of the property line of 13920 Castle Boulevard; then turning southeast, along the northern boundary of the property for 1,489 feet to the eastern boundary of the property, abutting Castle Boulevard; then turning southwest, along the eastern boundary of the property for 1,095 feet to the southern boundary of the property; then turning northwest for 18 feet, to the intersection of the northeast border of the property line of 13800 Columbia

Pike; then travelling 891 feet southwest, along the eastern border of the property; then turning southwest and following the southern boundary of the property for 651 feet along the northern side of Briggs Chaney Road; then following the northern boundary of Briggs Chaney road in a westerly direction for 335 feet, passing over US Route 29N/S; then turning northeasterly direction, along the Right of way for US 29S for 9,797 feet; then turning in a northwesterly direction for 1,334 feet, following the western boundary of the Old Columbia Pike Access Ramp for US 29; then, at the intersection of the access road and the southern boundary of the property line of 15569 Old Columbia Pike turning southwest for 456 feet, along the southern property line of 15595 Old Columbia Pike; continuing southwest for 260 feet along the southern boundary of 15585 Old Columbia Pike; continuing southwest for 252 feet along the southern boundary of 15569 Old Columbia Pike; continuing southwest for 206 feet along the southern boundary of 3714 Tolson Place; then continuing further southwest 98 feet along the western property line of 15543 Old Columbia Pike; continuing southwest for 469 feet along the western property boundary of 15421 Old Columbia Pike; then continuing southwest for 516 feet along the southern property line of 15401 Columbia Pike; then turning northwest 108 feet along the western property line of 15401 Columbia Pike; then turning northeast, along the northern property line of the property for 293 feet; then turning northwest, for 151 feet across Old Columbia Pike to the southern boundary of 15408 Old Columbia Pike, and proceeding along the western boundary of the property for 382 feet, turning northeast along the northern boundary of the property for 110 feet, then turning southwest, along the eastern border of the property for 98 feet, to the intersection of the northern boundary of 15412 Old Columbia Pike; then proceeding 140 feet northeast along the boundary to the northern boundary of 15420 Old Columbia Pike; continuing for 135 feet along the northern boundary of 15430 Old Columbia Pike; continuing for 121 feet along the northern boundary of 15448 Old Columbia Pike; then continuing in the same northeasterly direction for 270 feet along the northern boundary of 15498 Old Columbia Pike; continuing 40 feet northeast, along the northern boundary of 15520 Old Columbia Pike; continuing along the northern boundary of 15532 Old Columbia Pike for 74 feet; then 65 feet along the northern boundary of 15530 Old Columbia Pike; then 115 feet northeast to the end of the northern boundary of the property line for 15540 Old Columbia Pike, which intersects with the right of way to 15600 Old Columbia Pike (Burtonsville Shopping Center); then turning east for 172 feet, along the southern boundary of the right of way; then turning due north for 260 feet; then turning northwest for 604 feet; then turning north 54 feet; then turning northeast, proceeding 504 feet to the northern boundary of the property line; then turning southeast for 557 feet to the intersection of the western boundary of the right of way for Old Columbia Pike; then proceeding north along the western boundary of Old Columbia Pike for 969 feet; then turning southeast across Old Columbia Pike to the northwestern boundary of 15179 Old Columbia Pike; then proceeding along the northern boundary of the property for 489 feet to the northern boundary for Parcel P443; then proceeding 156 feet along the northern boundary of Parcel P443; then 337 feet along the northern boundary of Sandy Spring Road, Parcel P475; then continuing southeast along the southern boundary of Columbia Pike, Parcel P448, for 254 feet; then 63 feet along the northern boundary for the MD State Highway right of way for 198-N29 ramp; then proceeding south, along the Right of Way for 1,139 feet to the intersection of the south eastern point of the property boundary of 15601 Old Columbia Pike, where the proposed zone began.

*List of Capital Improvements Projects:*

Bus Rapid Transit system – \$31.5 million in County and Federal monies; will travel from the Burtonsville County-operated Park and Ride area as its most northern station to the downtown Silver Spring Transit Center.

Burtonsville Access Road - \$6.5 million; planning and preliminary design. This project will provide a new roadway between Spencerville Road (MD198) and School Access Road, consisting of two 12-foot lanes.

Burtonsville Community Revitalization - \$4 million; signage, pedestrian lighting, streetface elements, façade easements and other beautification efforts.

MD28/MD198 Corridor Improvement Study – SHA and FHA conducting a planning study on the MD28/198 corridor between MD97 (Georgia Avenue) and I-95 to improve local traffic safety and operations and address localized traffic issues for communities along the corridor, including Burtonsville.

Immediately adjacent to the proposed zone -- Burtonsville Elementary School Addition - \$12 million in County funds; needed to accommodate an additional 150 students.

B. Vicinity Map

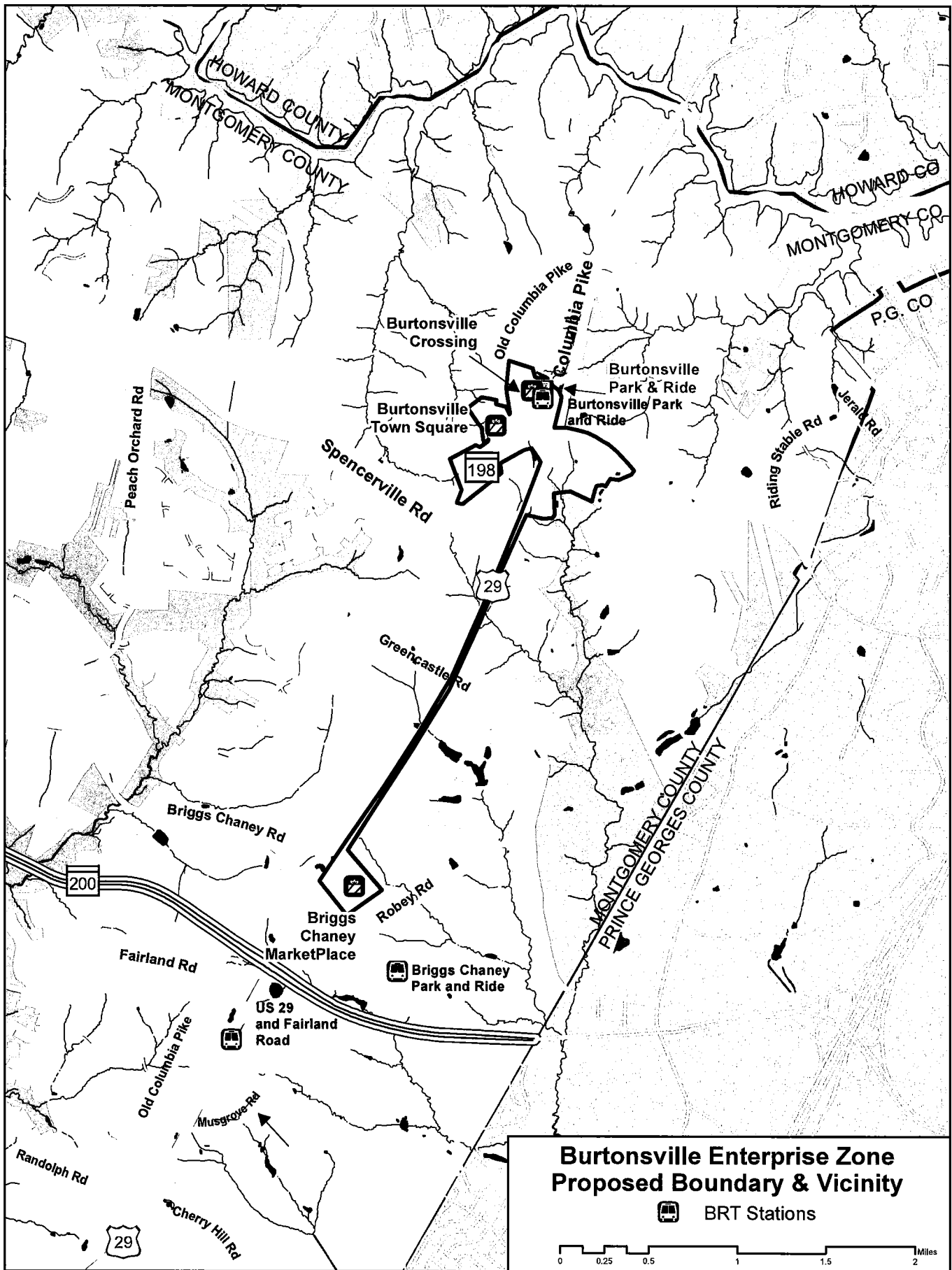
C. Parcel Map and Parcel Listing

- Please note that the publicly-owned parcels in the proposed Burtonsville/Briggs Chaney Enterprise Zone boundaries are highlighted on the map in \_\_\_\_\_. Of these properties, the most notable County-owned parcel is the Park and Ride parking lot that abuts US29 and will soon house the Burtonsville Station associated with the Bus Rapid Transit (BRT) system that will travel along US29.

D. Zoning Map

E. Census Tract – Income Test Map







## 6. NARRATIVE

### BACKGROUND –

#### Burtonsville/Briggs Chaney History

Burtonsville is an unincorporated, suburbanized area situated in the northeastern portion of Montgomery County. It lies less than 17 miles north of the Nation's Capital, 6 miles north of the National Capital Beltway (Rte. 495) and 10 miles north of downtown Silver Spring, MD. Burtonsville is just west of the Prince George's County border and 5 miles from the City of Laurel. Columbia, located in Howard County, is 8 miles north of Burtonsville. In addition to being close to US29 and MD 198, the new MD200 – known as the Inner County Connector – is just south of the proposed zone, connecting the east and west portions of Montgomery County and eastward to I-95.

Burtonsville began as a small, rural crossroads commercial area located at the intersection of US29 and MD198, the major roads in the vicinity of the proposed Zone. The crossroads of these roads served the surrounding, low density agricultural area. US29 and MD198 were designed to provide for access from the areas located north/south and east/west of Burtonsville. Over time, single-use commercial zoning and incremental road widening accommodated the growth of Burtonsville's business community.

In 2005, US29 was relocated to the east of the original intersection with MD198 to accommodate the increased volume of through-traffic stemming from northern Montgomery County/Howard County into downtown Silver Spring and Washington, D.C. As traffic increased along MD198 and US29, conflicts with slow moving local traffic serving local businesses and through-traffic were created. This bypass of the commercial core of Burtonsville changed travel patterns to the existing shopping centers as well as the greater Burtonsville locale and thus had an unforeseen negative impact. Additional retail development located to the west of Business 29 created several vacancies to the east rendering the older Burtonsville Crossing Shopping Center lifeless. The one-time vibrant center is now virtually empty. The construction of the US29 bypass has changed consumer vehicular patterns from every day passerby trips to destination only visits. Burtonsville has lost its once prime visibility resource along US29.

The Fairland Master Plan area has been in transition, having changed in less than two decades from a semi-rural area in the 1970s to a suburban community in 1990 with a population of over 23,000. In 1981, more than half of Fairland was farmland, woodland, or vacant. Less than one-third of the area was developed with homes; a very small percentage was in commercial or industrial use. Large tracts of land were in public or semi-public use, such as the 330-acre University of Maryland Agricultural Experiment Station and the Greencastle Golf Course.

By 1991, the Cloverly, Fairland and White Oak housing stock had more than doubled from 5,000 units to 13,000 units and employment had nearly tripled from 5,700 to 15,800 jobs. The Greencastle Golf Course became part of Greencastle-a residential community of 2,000 homes-and the Agricultural Experiment Station became the West Farm Technology Park. This phenomenal growth and dramatic

physical change, although envisioned in the 1981 Master Plan, occurred rapidly and sometimes without the timely provision of matching infrastructure.

### Master Plan Overview

The 1997 Fairland Master Plan encompasses the entire area of the proposed Enterprise Zone, and within the boundaries of the Master Plan area the 2012 Burtonsville Crossroads Neighborhood Plan encompasses the northern portion of the proposed Enterprise Zone.

### Burtonsville Crossroads Neighborhood Plan:

In December 2012, the County Council unanimously approved the new Burtonsville Crossroads Neighborhood Plan. The plan, which amends the 1997 Fairland Master Plan, establishes a vision to transform the existing crossroads into a complete community and provides recommendations for land use, transportation, environment and design that will enable the US29/MD198 commercial crossroads area to thrive. The Burtonsville Crossroads Neighborhood Plan focuses on the following opportunities for transforming Burtonsville into a more complete community:

#### *Economy:*

- create safe highway and transit access
- provide local services for nearby employment centers
- support small businesses

#### *Connectivity:*

- provide regional access
- create a "main street" on MD 198
- connect to the park-and-ride lot and regional transit
- provide a local grid of streets and access road
- improve street character
- provide bikeways and trails

#### *Design:*

- provide a safe and attractive local street system
- improve building character
- provide a public green and open space
- support infill and adaptive reuse
- continue the façade improvement program
- provide adequate transition areas
- provide a better location and design of parking

The Fairland Master Plan area contains approximately 8,200 acres, or about 13 square miles. It is entirely bordered on the east by Prince George's County; on the west and south by the Paint Branch

stream and the northern boundary of the Naval Surface Warfare Center and on the north by the Patuxent River, which also serves as the boundary between Montgomery and Howard Counties.

US 29, a six-lane divided highway, bisects the entire north-south length of Fairland. Land use on the western side of US 29 contains predominantly single-family detached homes and also townhouses and multi-family housing. There is commercial and office development at major intersections and along US 29. The eastern side is more densely developed than the western side and contains a wide range of housing types. There are substantial areas of industrial and commercial development to the east of US 29 between Briggs Chaney Road and the southern boundary of the planning area. These include the Auto Sales Park, the Montgomery Industrial Park, and the West Farm Technology Park.

Old Columbia Pike, which originates at the intersection of Tech Road and US 29 and terminates at MD 198, is the other main north-south road. This two-lane road was a state road that connected Howard County to Silver Spring before being replaced in 1956 by US 29. Old Columbia Pike provides access to the residential areas lying between US 29 and the Paint Branch.

MD 198 is one of the major east-west roads and connects Fairland west to the Cloverly Master Plan area and east to the city of Laurel in Prince George's County. US 29 is the only crossing of the Patuxent River in the Fairland Master Plan area. Other east-west roads that connect Fairland to Prince George's County, Cloverly, and White Oak are Briggs Chaney Road, Fairland Road, Greencastle Road, and East Randolph Road/Cherry Hill Road. One of the most important objectives in the Fairland Master Plan is to reshape the land use and zoning in the Fairland Planning Area consistent with the General Plan Refinement and to define clearly Fairland as suburban and not within the area of influence of the 1-95 corridor.

## **DESCRIBE THE ECONOMIC, SOCIAL AND DEMOGRAPHIC NATURE OF THE PROPOSED ZONE**

### **Economic Nature**

Burtonsville/Briggs Chaney's economy centers around neighborhood-serving retail establishments and small professional services companies geared toward consumer needs. As the area continues to evolve from an outer suburban community to one that is better served by public mass transit and increased access to well-paying jobs, Burtonsville/Briggs Chaney must focus on helping small businesses adjust to changing transit patterns and new marketplace trends in order to help ensure a thriving community economy that meets the needs of its residents. The community must address its vacant storefronts that have become an eyesore and look toward revitalizing older retail and commercial structures in order to attract the businesses of tomorrow.

Burtonsville/Briggs Chaney is poised to accomplish this by building on its proximity to the new US29 Bus Rapid Transit system and stations. There is strong community support for new development that will enliven the community through better-designed facilities, better pedestrian connections and more community-gathering places.

An Enterprise Zone will provide property owners and businesses with the economic incentives that are needed to bring about this physical transformation.

### Demographics and Social Character

According to the demographic data released by the Census Bureau in December of 2015, Burtonsville has a population of 8,541 residents, which is in the mid-range of other communities in the area. The population change from 2010 to 2014 in Burtonsville illustrates an increase of 218 (3%). This was the 3rd highest percentage change all other places in eastern Montgomery County. Looking at population density, Burtonsville indicates a 1,090 population density which is less than most other localities in the area. The median age was 35.8 overall. The breakdown of racial groups are 36.5% Caucasian or White; Black or African American at 35.7%; Asian at 17.7%; and Hispanic or Latino at 10.1%.

According to the 2012 American Community Survey demographic data, Fairland has a population of 24,067, the largest of all the eight census designated places of Eastern Montgomery County. It has the largest ethnic distribution (along with Burtonsville): 51% Black, 18% Asian, 10% Hispanic, and 22% White. Approximately 19% of the population in Fairland is between the ages of 25 and 34, and it has a median age of 36.1. There were 43% married couple households, with a relatively high share of households with own children under 18 (37% vs. county and East County average of 33%). Approximately 48% of the Fairland population over the age of 25 has a BA, graduate or professional degree. Fairland is home to 12.3% of residents with limited English proficiency.

Proximity and access to jobs in other parts of Montgomery, Howard and Prince George's Counties attract people to both Burtonsville and Briggs Chaney in Fairland. Many people are also drawn to affordable and workforce housing options in the Briggs Chaney area, although most were built in the 1980s.

### **DESCRIBE THE ECONOMY OF THE ZONE: IS IT A DOWNTOWN AREA, INDUSTRIAL PARK, RETAIL CORRIDOR?**

The economy of the proposed Burtonsville/Briggs Chaney Enterprise Zone is basically a retail corridor, with neighborhood-serving retail uses dominating the mix. There is a relatively high vacancy rate among the retail uses within the proposed zone, with residents suggesting that they desire a broader variety of retail choices.

Situated between three of the fastest growing counties in the region, the proposed zone is feeling economic pressures and challenges, including:

- competing regional retail projects nearby;
- scarcity of options/choices in retail;
- limitation/constraints on development (small and shallow parcels of land);
- lack of continuity in cohesive design character ;
- SHA realignment of MD 198 to address high volume/speed of traffic;
- conflicts in thru and local traffic on MD 198;
- inadequate/insufficient infrastructure-limited pedestrian access, sidewalks and bikeways;
- and
- lack of community gathering places.

### *Geographic Location of Proposed Zone*

The northern end of the proposed Burtonsville/Briggs Chaney Enterprise Zone is within the Burtonsville Crossroads Neighborhood Plan and contains the Burtonsville Town Square, the County-operated Park & Ride lot/bus terminus area, and the once vibrant Burtonsville Crossing Shopping Center. The southern end of the Zone includes several multi-family communities such as Windsor Court and Tower Apartments, Knights Bridge Apartments, Woodvale Apartments, Waterford Tower Apartments and Silver Spring Country Club Townhomes; as well as the Briggs Chaney Plaza.

**Transportation and Accessibility:** Historically speaking, the Burtonsville/Briggs Chaney region has been lacking in transportation options. Many residents do not have automobiles and therefore rely on the local Ride On or Metro Buses. There is no Metro subway or Marc Train system. However, the US29 Bus Rapid Transit (BRT) Project will transform mobility options through the implementation of a 14-mile, premium, limited-stop BRT service. US29 BRT will be in a combination of managed lanes, Bus on Shoulder, and a small portion in mixed traffic, utilizing the existing roadway pavement when possible.

The new service will improve transit travel time and increase opportunities for a broad range of users, including a significant number of minority and low-income riders living along a highly congested corridor. The project will improve passenger transit mobility by connecting riders to high density housing and employment centers such as the U.S. Food and Drug Administration (FDA), the National Oceanic and Atmospheric Administration (NOAA), and Discovery Communications headquarters. Montgomery County has received a \$10M Federal Tiger Grant to assist in the implementation of this transit system for US29. Furthermore, Burtonsville will have one of the new BRT Stations alongside the local Park & Ride facility adjacent to US29.

Just 5 miles south of Burtonsville is the White Oak Science Gateway -- a newly approved master planned development. This project is vital to the success of significant private development and employment which includes the relocation of Washington Adventist Hospital, the consolidation of the U.S. Food and Drug Administration (FDA) at the White Oak Federal Research Center (FRC), the Town Center, Hilton Hotel, Hillandale Gateway and the 300 acre Viva White Oak mixed use community. In addition to the FDA, which now has 8,100 employees on site, the area's largest employers include Washington Adventist Hospital, Kaiser Permanente, Holy Cross and Comcast.

### *Public Facilities in the Proposed Zone*

There are no public schools situated within the proposed Enterprise Zone boundaries; however, one high school, two middle schools and one elementary school are within a 2-mile radius of its center, while another elementary school is directly adjacent to the proposed Zone. From the center of the subject residential neighborhood, there are only two resident grocery stores; however, there are neighborhood-serving restaurants along MD 198 adjacent to the Zone in Burtonsville and Briggs Chaney. Transportation hubs are located at long distances away from the homes. In addition, two fitness centers are 1.25 miles and 2.1 miles away, and there are nine places of worship within the vicinity.

The Marilyn J. Praisner Library serves Burtonsville and vicinity sharing a "campus" with MNCPP's Columbia Park and Fairland Community Recreation Center. The East County Regional Services Center is situated next to the southern tip of the proposed Burtonsville Enterprise Zone on Briggs Chaney Road and offers community support such as a food bank, a medical clinic and continuing education classes. Adjacent to the proposed Zone and straddling Prince George's Counties is the Fairland Recreational Park, the only bi-county park operated by the Maryland-National Capital Park and Planning Commission.

#### **MAJOR EMPLOYERS AND BUSINESSES IN THE ZONE**

The majority of the jobs in the proposed zone are retail/service industry positions, with major employers being Giant Food, Global Food and Ross Department Stores. Other employers include food and beverage outlets, both locally-owned and national franchises. The majority of the businesses in the smaller office buildings in the proposed Zone predominantly have between 1 and 30 employees and are in the health care and FIRE (financial, insurance and real estate) industries.

#### **WHAT IS THE CONDITION OF BUILDINGS IN THE ZONE AND WHAT PERCENT ARE VACANT?**

*Office Development:* The majority of the limited office supply (197,000 square feet) is Class B space constructed in the 1980s. These buildings, typically 1-3 stories, currently have a 78.9% occupancy rate. The majority of the tenants in these buildings are small enterprises providing health, financial, real estate, insurance and personal services.

*Retail Development:* Burtonsville's commercial development was the result of the intersection of US29 and MD 198. As the surrounding area developed (including Prince George's and Howard Counties), traffic flows increased – so much so that it resulted in the 29 Bypass, which has adversely impacted the viability of a number of local businesses. Currently, there is a 24% vacancy rate in Burtonsville's 406,000 square feet of retail space.

The quality of the retail space in Burtonsville clearly lends itself to upgrading and redevelopment activities. In particular, the Burtonsville Crossing Shopping Center is in dire need of a major overhaul, as this aging 15.6 acre center only houses two small food/beverage outlets. This near-vacant shopping center has become an eyesore in the community (see #9 – Additional Information – Photos).

*Residential Development:* There are no recently built housing developments within the proposed Zone. The latest residential construction has been the townhomes along Columbia Pike known as the Silver Spring Country Club Townhomes, which were constructed in the late 1980s. Over the years, many people (particularly new arrivals, immigrants and other minorities) have been drawn to Fairland/Greencastle-Briggs Chaney because the area offers a variety of housing options and prices.

## **EXPLAIN THE GOALS AND OBJECTIVES OF THE ZONE AND THEIR PROPOSED OUTCOMES**

The over-arching goal of the proposed Burtonsville/Briggs Chaney Enterprise Zone is to create jobs and access to jobs through capital investment in commercial, retail and transportation-oriented revitalization projects.

The objectives of the proposed zone are to:

### **1. REVITALIZE THE COMMUNITY'S COMMERCIAL DISTRICT**

The Burtonsville/Briggs Chaney area lacks variety within its retail outlets, and needs to diversify and expand its offerings in order to effectively compete with neighboring retail corridors to the north and east. A unique retail enterprise – such as a country market, multiscreen cinema or other amenity retail use – would go a long way in helping to create a much-needed community gathering spot. The proposed zone's existing shopping centers are in need of physical upgrades in order to draw in those traveling along US29 and MD198 to get to other places in Montgomery and neighboring counties.

Most importantly is the dire need to address the near-vacant Burtonsville Crossing Shopping Center, which will soon have the advantage of being adjacent to the first/last stop of the US29 Bus Rapid Transit (BRT) system which will travel from Burtonsville through Briggs Chaney to downtown Silver Spring.

Revitalizing the community's commercial district will have a myriad of benefits. Enhancing the area's retail and consumer-serving establishments will, in turn, provide the impetus to upgrade neighboring commercial office structures, which are aging. More community-serving establishments will create jobs for residents, including part-time and summer positions for youth.

### **2. TAKE MAXIMUM ADVANTAGE OF EXISTING AND PLANNED TRANSPORTATION NETWORKS**

The planned BRT system, scheduled to be operational in 2020, has the potential to be a game changer for the community. Properties along the corridor, particularly those in close proximity to BRT stations, will undoubtedly be revitalized over time to take advantage of transit-oriented development principles and practices.

The US29 BRT brings an additional benefit of being able to provide residents along the corridor with increased access to jobs within the proposed zone and along the BRT route. In this regard, the BRT will serve to connect the under and unemployed residents of the zone with the new jobs to be created – jobs that will be trained for in terms of the starting point in a career ladder versus simply a position. As more residents are gainfully employed and their incomes increase, they will in turn require better access to enhanced neighborhood-serving retail establishments, which are needed at both the northern and southern ends of the proposed zone.

3. **BUILD AN ENHANCED SENSE OF COMMUNITY BY CREATING COMMUNITY GATHERING PLACES AND AMENITIES**

The Burtonsville area lacks central public places in which to gather and hold events, which is making it difficult for local residents to interact and is adversely impacting the community's ability to build a sense of place. Establishing more and lively public places will transform the Burtonsville area from simply a crossroads into a community, and help foster the creation of a complete community, such as that called for in the Burtonsville Crossroads Neighborhood Plan.

4. **REALIZE THE VISION FOR BURTONSVILLE AND BRIGGS CHANEY AS MORE FULLY DESCRIBED IN THE FAIRLAND MASTER PLAN AND THE BURTONSVILLE CROSSING NEIGHBORHOOD PLAN**

"The Burtonsville Crossroads Neighborhood Plan will foster the creation of a complete community designed at a scale to serve the surrounding area with small businesses, retail, local services, offices, residential and open spaces for local events, conservation and recreation. The community will be connected together by a system of enhanced local streets, sidewalks and trails."

"The Fairland Master Plan envisions the future as a livable suburban community-a series of neighborhoods with sidewalks and street trees, access to the natural environment and recreational facilities with employment and commercial areas emphasizing horizontal rather than vertical structures. There will be plenty of green space, jobs, shopping, and, most importantly, a variety of housing options to serve a variety of needs and households-the young couples just starting out, single adults, families who need room, older couples who want less space, and senior citizens who want to be able to participate in community life."

The implementation of an Enterprise Zone will provide the incentives and tools that are needed to achieve the above vision. Tax credits and exemptions from local development impact taxes will provide property owners with substantial benefits that can be used to drive a redevelopment project over the finish line; bringing the vision of both master plans to fruition.

5. **REMOVE BARRIERS THAT IMPEDE ECONOMIC DEVELOPMENT**

Designating this area as an Enterprise Zone will provide the impetus to cohesively address the barriers that exist to maximizing the economic development potential of the Burtonsville/Briggs Chaney community. A zone designation will bring private and public sector leaders together in addressing such issues such: lack of retail customers due to regional competition, physical barriers to development and redevelopment, lack of transportation and pedestrian options and the conflicts between local and drive-through traffic.

#### **OUTCOMES OF ENTERPRISE ZONE WILL BE TO:**

1. Lower the commercial vacancy rates in the proposed Zone through redevelopment efforts that will result in an upgraded and better variety of retail and commercial facility options;
2. Lower the unemployment rate in the Zone by better connecting residents in the Zone with jobs in the Zone and along the new Business Rapid Transit corridor route;
3. Increase the use of transit through ridership on the US29 Bus Rapid Transit system, projected to be up and operational in 2020;
4. Create Transit-Oriented Development (TOD) projects; and
5. Stimulate new private sector investment in the community through capital projects.

#### **DESCRIBE THE LOCAL STANDARDS**

Property owners and businesses currently located within the boundaries of the Zone or new businesses that locate in the Zone must meet the qualification standards in order to receive tax credits under the Enterprise Zone program. Generally, the following conditions must be met:

- The business activity conducted on the property must constitute a legal use of the property.
- The property must be current with respect to the payment of real property taxes and the business must be current with respect to the payment of income and personal property taxes.
- Any business entity located in the Zone before \_\_\_\_\_ may not benefit from the tax credits and other incentives in the Enterprise Zone Program with respect to any capital investment or expansion of its labor force occurring after/before \_\_\_\_\_.
- Location in the Zone or certification of eligibility for tax credits does not relieve property owners or businesses from building codes, zoning requirements and other regulations applicable to the property or business.
- A property tax credit will only be applied against the amount of the increase in a property's tax assessment that results from a minimum qualifying capital investment within the boundaries of the Zone.

#### **Additional Local Standards:**

When claiming tax credits for hiring employees or relocating into the Zone from outside the State, the business must show a net increase of at least 35 work hours per week for each tax credit

sought. The business may be required to document this employment on timesheets and payroll documents. The business must show an increase of 5 percent (5%) to a minimum of one new employee.

Property tax owners must make a minimum qualifying capital investment through sources other than government grants. A minimum qualifying capital investment may include improvements made with funds obtained through government loan programs. The minimum qualifying capital investment is ten dollars (\$10) per square foot of building floor area improved, and at least twenty percent (20%) of the total building floor area must be improved.

The minimum qualifying capital investment may include off-site improvements in energy efficient infrastructure, storm-water management, streetscape improvements and other sustainable and energy efficient design.

#### **ADDITIONAL INCENTIVES AND INITIATIVES PROVIDED BY MONTGOMERY COUNTY**

Montgomery County has created substantial initiatives geared toward stimulating development and redevelopment in Enterprise Zones in the County. New development activity in Enterprise Zones in Montgomery County is exempt from local development impact taxes. This financial incentive can be significant, as this tax for office development is \$5.00 a square foot, \$4.50 a square foot for retail space and \$2.50 a square foot for industrial uses. This exemption can truly be the deciding factor on whether a project moves forward or not. This exemption from local development impact taxes continues even after the expiration of an Enterprise Zone, although the exemption is phased out over five years following a Zone's expiration.

Additionally, the County's Department of Permitting Services (DPS) has a "Green Tape" permitting and inspection program that expedites the land-use and building permit processes for prospective Enterprise Zone properties and businesses. This program facilitates the issuance of building permits for commercial development involving new construction, additions, structural alterations or changes in use in the County's Enterprise Zones. The Green Tape team assists applicants with various filing requirements, regulatory reviews and inspections and basically provides for a seamless permitting and inspection process.

Montgomery County also has a variety of business assistance tools that will be deployed to the proposed Burtonsville/Briggs Chaney Enterprise Zone, including:

1. **Local Small Business Reserve Program:** This program was created to enhance the competitiveness of Montgomery County-based small businesses by identifying separately-defined County procurements for certified local small businesses. Since 2006, the County's departments have been required to set aside a minimum of 10% of their annual procurement dollars for qualified local small businesses.
2. **Economic Development Fund:** This fund, administered through the County's Department of Finance, provides flexible low-cost financing to newly located and existing, expanding County businesses that demonstrate a significant economic impact.

The EDF is strategically used to attract private sector capital investment and the creation of high-paying jobs. EDF assistance is typically in the form of low-interest loans ranging from \$5,000 - \$100,000; loans often convert to grants based on businesses attaining certain performance measures.

3. **MOVE Program:** This program is designed to attract small and mid-sized tenants into the County's borders. It provides an \$8 a square foot incentive to businesses which are leasing commercial office space in the County for the first time. Since launching this initiative two years ago, the County has provided over \$1 million in incentive funds to over 50 new businesses locating in the County.
4. **New Jobs Tax Credit:** Montgomery County offers a real and personal property tax credit for businesses meeting the following criteria:
  - (a) relocate or expand into at least 5,000 square feet of newly constructed or previously unoccupied premises; and
  - (b) employ at least 25 individuals in new permanent full-time positions, within a 24-month period in the new or expanded premises.

Qualifying businesses will receive a Montgomery County tax credit against real and personal property taxes for a period of six years as well as a State of Maryland tax credit, which is applied against individual or corporate income tax, insurance premiums tax or financial institution franchise tax.

#### **DISCUSS THE FEASIBILITY OF CREATING EDUCATIONAL OR TRAINING OPPORTUNITIES FOR EMPLOYERS AND EMPLOYEES IN THE ENTERPRISE ZONE**

WorkSource Montgomery is a one-stop employment and training service providing businesses with customized employment services. This service, which operates throughout the County, can provide employers with screened, eligible candidates for employment openings, access to job fairs, generalized employee training, and employee training certification in industry-specific areas. The program also provides job readiness training such as ESOL and job placement services.

The County is working on a 2017 East County Opportunity Zone Plan that would help improve the structure and delivery of health and human services, with a strong alignment of workforce, continuing education and economic development systems in the region (including the Burtonsville and Briggs Chaney communities). This public-private partnership effort will help strengthen existing Montgomery College Workforce and Continuing Education services located at the East County Regional Services Center (ECRSC) in Briggs Chaney and provide a continuum of core, intensive and workforce development/training services designed to better address the employment and skills needs of jobseekers, current employees and employers, including those within the proposed Enterprise Zone.

Worksource Montgomery, Montgomery College and the ECRSC continue to build positive relationships with businesses within the proposed Zone that frequently hire, connecting them with

available training, employment education and workforce services and resources within easy access in the region. The proposed plan will establish a permanent center, small community-based hubs or pop-up sites in the region that will offer a host of social, educational, employment and family support services, including multi-benefit screening, pre-employment and employment support, college access advisement, career counseling, literacy programs, financial counseling, certificate training and business/employer assistance and support services.

## **MANAGEMENT PLAN**

### ***Specify the person or group responsible for administering the zone and submitting the annual report***

The Office of the County Executive, in conjunction with the County's East County Regional Services Center and Department of Finance, will be responsible for administering the zone and submitting the annual report. The responsibility of the Administrator will include:

- Determining the eligibility of the business and/or property owner for the tax credits under the Enterprise Zone.
- Notifying the State Department of Assessments and Taxation (SDAT) and the Montgomery County Department of Finance that an applicant is eligible for property tax credits in accordance with the Enterprise Zone Program.
- Submitting an annual report to the Maryland Department of Commerce.
- Acting as the principal point of contact between the public and the State of Maryland with respect to questions concerning the Enterprise Zone program
- Developing the application for tax credits in the Zone
- Preparing a fact sheet and website information for businesses
- Verifying that specific businesses meet the requirements for tax credits

### ***Specify plans to market the enterprise zone to potential businesses***

The Burtonsville/Briggs Chaney Enterprise Zone's strategic marketing and public relations plan is to:

Increase the use of enterprise zone incentives by building awareness among businesses and property owners. News about the potential of establishing an Enterprise Zone in Burtonsville/Briggs Chaney is filtering through the community, and property owners are interested in the redevelopment tools the Zone will bring to the table.

In implementing this plan, the Enterprise Zone administrator will work with the newly-formed Montgomery County Economic Development Corporation to:

- Profile successful enterprise zone businesses in the media (editorials, letters to the editor, etc.);
- Use targeted on-line marketing to businesses and property owners;
- Connect with businesses who are in the enterprise zone and communicate with new and relocating companies;
- Provide updates via social media; and
- Connect with trade publications covering site selection, commercial real estate and general business.

Business Retention and Expansion will also be an important element of a successful Burtonsville/Briggs Chaney Enterprise Zone. The Zone's retention efforts will be based on:

- 1) Assessing the health of existing businesses through conversations with owners and the observation of business operations;
- 2) Identifying and resolving issues related to the County government (permitting, parking, crime, etc.); and
- 3) Exchanging information regarding revitalization efforts, programs and events that are of interest to the businesses.

***Describe certifications procedures that will be established for businesses to receive tax credits***

Property owners and/or businesses will complete separate applications for, and report annually on, property tax credits and employment tax credits on forms provided by the Administrator. The application(s) will provide evidence that all State and local qualification standards have been met. The Administrator will provide a certification of eligibility to the applicant within 60 days of receipt of the application.

All applicants will have to provide the following information: Name and address of the business/property owner, legal structure of business (corporation, LLC, sole proprietorship, etc.) and North American Industrial Classification (NAICS) Code.

For the employment tax credit, the applicants will be required to provide the previous address of the business, and the number of employees at the previous address, if moving into the Zone from another location. Additionally, the applicant will provide the total employment and verification of increases in employment wages paid for new jobs created in the Zone.

A business seeking an employment tax credit must apply for certification at least 30 days before the income taxes for which the credit is being applied for are due, on a form provided by the Administrator, in order for the Administrator to certify the business is eligible for the tax credit. Businesses receiving

employment tax credits must provide notice of the tax credit, number of employees, and total wages paid for which the credit has been taken, to the Administrator by December 10 of the tax year for which the credit is received.

For the property tax credit, an applicant will provide: a description and the date of completion of the improvement; certification of the costs of the new construction or renovations; and the party responsible for the payment thereof. Additionally, the applicant will include a copy of the certificate of occupancy, and any other information the Administrator may deem necessary to determine eligibility or compliance with these regulations.

Property owners seeking property tax credits on the next applicable July 1 tax bill must apply by December 10 of the preceding year in order for the Administrator to certify the property's eligibility by December 31 of that preceding year. A property owner may file an application for pre-certification of eligibility for property tax credit on a form provided by the Administrator prior to making the minimum qualifying capital investment in order to determine in advance whether such an investment would be eligible. In such a case, the Administrator will send a notice of precertification to the applicant.

**7. IF THE SIZE OF THE PROPOSED ENTERPRISE ZONE EXCEEDS 160 ACRES, PROVIDE A WRITTEN JUSTIFICATION OF THE SIZE OF THE PROPOSED ZONE**

The 300 acre proposed Burtonsville/Briggs Chaney Enterprise Zone will be the catalyst needed to restart the economic engine in that region of Montgomery County. The boundary strategically encompasses the vital areas of the two neighborhoods in order for a successful business community.

**8. EVIDENCE AND CERTIFICATION OF A PUBLIC HEARING**

**9. ADDITIONAL INFORMATION**